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## PHILADELPHIA'S TRANSIT PROBLEM

BY A. MERRITT TAYLOR,

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Large cities of the United States are constantly outgrowing the capacity of existing facilities for public service. Among those facilities which are particularly essential to a city's development are water mains, sewers and transportation lines. They may be likened to the arterial system of the human body. When they become inadequate and choke the circulation which they are designed to carry, or when they fail to expand as the body grows and to meet its increasing requirements, the various sections involved must wither, and the body as a whole must suffer.

Philadelphia, in common with other large cities, has outgrown her present urban transportation system and is proceeding to establish such additional facilities as are required to furnish adequate service to the people.

This has always been a city of individual homes spread over a comparatively large area. We are now confronted with the necessity of providing rapid transit facilities to eliminate existing congestion of traffic and the excessive loss of time in traveling the increasingly great distances between available residential areas and places of employment. The inevitable alternative would be to crowd the future increased population into flats and tenements in the areas already built up. Such conditions are beyond the pale of consideration.

Standing squarely by the ancient advice: "Look before you leap," the city undertook two years ago to make a practical, scientific and complete study of what is needed, and of ways and means of accomplishment. The results of this study were embodied in the report of the transit commissioner in 1913, and were crystallized in the recommendations for the immediate construction of twenty-six miles of high-speed lines by the city, to be equipped and operated preferably by the existing company, which controls practically all of the street railways in the city. Negotiations were then undertaken with the management of the existing company.

The "program," resulting from the negotiations between the existing company and the department of city transit, provides for the construction of certain subway and elevated railway lines by the city at a cost of approximately \$46,000,000, and the equipment and operation thereof by the company in common with its existing system as one great unit for public service. The cost of equipment will be approximately \$12,000,000. Proper provision is also made for future extensions.

The "program" provides for the operation of all high-speed lines in conjunction with the surface system, which will serve without extra charge as the agent for the gathering and distributing of passengers who use the high-speed lines. Thus the advantages of rapid transit will be extended as equally as practicable to every front door in Philadelphia.

Passengers will be enabled to travel in a forward direction for one five-cent fare between every important section of the city and every other important section of the city, conveniently, quickly and comfortably by way of the combined surface and high-speed lines, regardless of the number of transfers required in so doing.

Recent legislation has clothed the city with the legal authority, financial ability and executive machinery to construct, and if necessary, to equip and to operate these facilities as well as surface lines. A constitutional amendment in process of adoption will provide many additional advantages in financing the undertaking.

We recognize the importance of coöperation between the city and the company in establishing these new facilities in a manner calculated to best serve the public. We also recognize the importance of protecting against destructive competition capital which has been invested in the existing system.

The "program" as arranged provides that the existing company shall receive annually out of the earnings of the municipally-owned lines:

1. Interest on the company's investment in equipment.
2. A further payment which will sustain the company's normal net income gained prior to the establishment of the municipally-owned line or lines against decrease or loss due to the company participating in the coöperative program as stated therein.

It further provides for the elimination of the discriminatory eight-cent exchange ticket now in use in certain sections of the

city in a manner which has been arranged between the officials of the company and the department.

This "program" still awaits ratification by the underlying company which is called upon by the operating company to supply annually the amount of additional capital which may be needed for the normal extension of the existing system.

Philadelphians are practically unanimous in urgently demanding rapid transit facilities and free transfers. No individual or obstacle can withstand the united public in this matter. As the citizens are determined to establish adequate rapid transit facilities, they will be established.

We expect the existing companies to welcome the adequate protection which the program for rapid transit development affords their stockholders against loss to their present net income by reason of their coöperation.

The use of the public credit in such an enterprise as this is essential and entirely justified. The city gets an almost indispensable modern utility. The people obtain wide and comfortable range of movement and enormous and valuable time saving. The city gets great increases in taxable values and a revenue producing property which, with the growth of the city, will not only become more than self-supporting, but will reap out of earnings its entire cost.

The city will thus ultimately own the high-speed system as a great income-producing municipal asset with the entire cost thereof repaid out of earnings.

We are now designing and preparing to construct the recommended subway and elevated railway lines. That they will be constructed and operated there is no doubt, for in the event of failure upon the part of the existing company to coöperate as provided, an independent operator can readily be obtained to equip and operate the municipally-owned high-speed lines upon favorable terms. As a very last resort the city itself is thoroughly competent to equip and operate the facilities temporarily or permanently as a municipal undertaking.

We do not expect the existing company to coöperate with the city in establishing the rapid transit lines in a manner which will reduce its existing net income. On the contrary we are extending to the existing company adequate protection against any such loss in consideration of its coöperation. Therefore, no loss can come to

the company by reason of the city's action unless the company should decline to coöperate and to accept the protection proffered by the city.

I have now come to the point which I wish to particularly emphasize. Philadelphians stand for a "square deal" between the city and vested interests. We recognize the vital importance of honestly protecting capital invested in Philadelphia to the extent that it shall produce an attractive return for reasonable service rendered to the public.

In the case of our local railway system a contract was entered into in 1907 between the city and the company; with the terms of this contract in force as a basis, it is the policy of the department of city transit in establishing the high-speed lines under the terms of the coöperative "program" to protect the company to the extent of its annual net earnings gained prior to the opening of the municipally-owned lines, regardless of the amount of capital actually invested in the property. We want Philadelphia to stand out as a safe place for the investment of capital for public service.

We recognize the great part which the railroads and other public service corporations can take in the development of this city and its industries, but to so take this part they must have credit upon which to raise large sums of money and they must be assured of an adequate and attractive return thereon and immunity from unwarranted competition or political and public attacks.

The capitalists of this country are going to invest their money in communities where capital is justly treated and permitted to earn attractive returns, and are not going to invest capital in communities where its security is impaired and its productiveness is unduly curtailed by unreasonable legislation, regulation or competition.

I believe that the time is past when corporations, through political, financial or other influence, can retard the development of the resources of our great cities, make unfair bargains for franchises, or refuse to coöperate upon just terms in carrying out great municipal developments and undertakings which are dependent upon their coöperation.

On the other hand, I believe the time is at hand when cowardly public officials will not be permitted by the thinking public to be led by blackmailers and demagogues into imposing unreasonable and

onerous terms and conditions upon corporations and vested interests; they will no longer be able to make political capital by pursuing any such course in an enlightened community.

The people of Philadelphia will be fair with corporations and with capital, but they will demand the same fairness from corporations and capital in return.

Only those who fail to heed this public demand need fear the inevitable disaster which the ire of an incensed public, focused on them from every angle, is sure to bring about.